



PRESS RELEASE



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September Housing Starts Meet Expectations

OTTAWA, Ontario, October 8, 2004 — The seasonally adjusted annual rate¹ of housing starts was 231,000 units in September, down from 241,100 in August, according to Canada Mortgage and Housing Corporation (CMHC).

"Housing starts across Canada remain strong and are on track with our expectations for the year," said Bob Dugan, Chief Economist at CMHC's Market Analysis Centre. "Low mortgage rates, an expanding labour market and solid consumer confidence have pushed housing activity higher in 2004."

"Existing home sales are ahead of last year's record setting pace and housing starts are set to reach a 17-year high. This flurry of activity will ease next year as rising mortgage carrying costs moderate housing demand."

September housing starts in Canada's urban centres fell 4.7 per cent to a seasonally adjusted annual rate of 204,200 units due solely to a decline in the volatile multi-family sector. Urban single detached starts rose 5.9 per cent to 106,200 in September while urban multiples decreased 14.0 per cent to 98,000.

Urban housing starts in September decreased in three regions of Canada but rose in two. The seasonally adjusted annual rate of urban starts dipped 14.1 per cent in British Columbia, 6.5 per cent in Ontario and 1.6 per cent in Quebec. Both the Atlantic and the Prairies bucked the trend by rising 9.2 per cent and 2.1 per cent respectively. The estimated number of rural starts in Canada came in at a seasonally adjusted annual rate of 26,800 units.

For the first three quarters of this year, actual urban starts increased 7.5 per cent compared with the same period last year. Single starts rose 5.1 per cent while multiple starts jumped 10.1 per cent.

1. All starts figures in this release, other than actual starts, are seasonally adjusted annual rates (SAAR)-that is, monthly figures adjusted to remove normal seasonal variation and multiplied by 12 to reflect annual levels.

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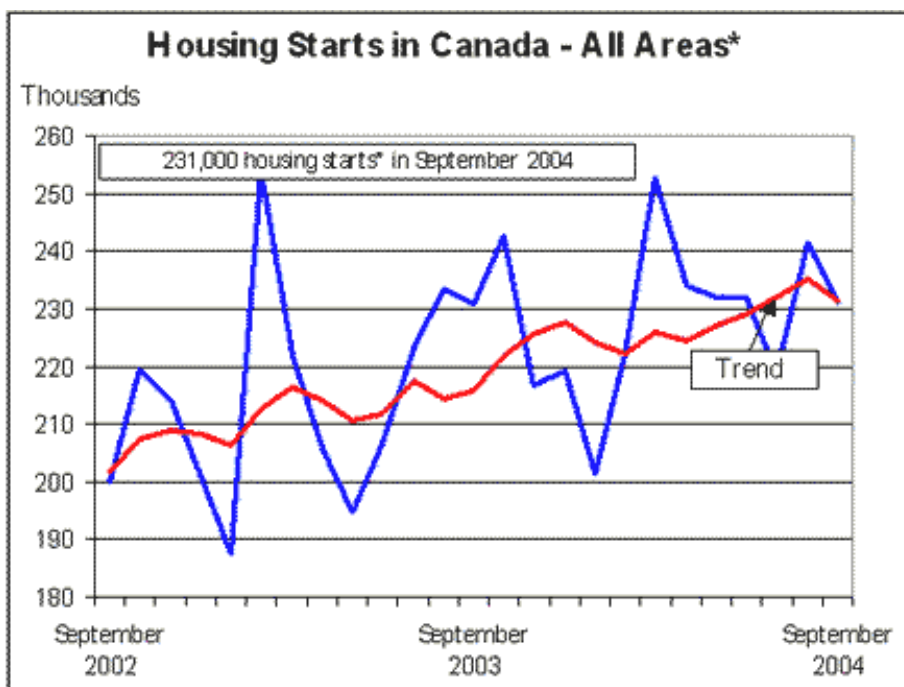
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Housing Starts, Actual and SAAR*

	August 2004 Final		September 2004 Preliminary	
	Actual	SAAR	Actual	SAAR
Canada, all areas	22,772	241,100	20,508	231,000
Canada, rural areas	2,597	26,800	2,749	26,800
Canada, urban centres**	20,175	214,300	17,759	204,200
Canada, singles, urban centres	9,372	100,300	9,348	106,200
Canada, multiples, urban centres	10,803	114,000	8,411	98,000
Atlantic region, urban centres	865	8,700	892	9,500
Quebec, urban centres	3,332	43,000	3,384	42,300

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Ontario, urban centres	9,060	87,200	7,227	81,500
Prairie region, urban centres	3,664	37,900	3,474	38,700
British Columbia, urban centres	3,254	37,500	2,782	32,200

Source: CMHC

*Seasonally adjusted annual rates

** Urban centres with a population of 10,000 persons and over.

Detailed data available upon request.